New-York Tribune.

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EUROPE.

GREAT BRITAIN.

THE RIOT IN MANCHESTER.

BY ATLANTIC TELEGRAPH TO THE TRIBUNE.

MANCHESTER, Sept. 20.—Everything is quiet here. The rioters appear to be satisfied with their success, and there have been no more disturbances. No traces of the rescued prisoners Kelly and Deasy have been discovered, and it is thought they have by this time succeeded in making good their escape from the city. The name of the policeman who was killed by the mob, yesterday, was Mr. Brett. Arrests continue to be made of persons who took part in the riot. Among those already in custody are two men named William Allen and Michael Larkin, who appear to have been ringleaders in the onslaught on the police. They are charged with murdering the Policeman Brett, and will be examined as soon as the excitement has subsided.

THE FENIANS KELLY AND DEASY.

LONDON, Sept. 20—Evening.—A dispatch from Bradford reports that Kelly and Deasy were seen in that city this afternoon, but the police, though immediately on the alert, failed to arrest them and they have again disappeared.

ESCAPE OF CAPT. OSBORNE.

DUBLIN, Sept. 20.—Capt. Osborne, one of the Fenian prisoners, made his escape from the jail at Clonmel last night. He had not been recaptured up to noon to-day, though the jail guards started in immediate pursuit. The police are searching for him in every part of the surrounding country, where it is supposed he is still concealed.

ROME.

GARIBALDI READY FOR ACTION.

LONDON, Sept. 20.—The preparations of the Party of Action in Italy for a revolutionary movement on Rome are about completed, and it is rumored here that Sunday next has been fixed upon by Gen. Garibaldi as the day upon which the long-deferred attempt is to be made.

GERMANY.

A NEW PRUSSSIAN CIRCULAR.

LONDON, Sept. 20.—Count von Bismarck has recently addressed a circular note to the diplomatic representatives of Prussia in regard to the conference of the Emperors Napoleon and Francis Joseph at Salzburg. The document has just been published, and is the principal subject of editorial discussion in the English and Continental newspapers. In it Count Bismarck says that Prussia is willing to accept the representations made by France that the conference at Salzburg should be regarded as a pledge of peace. He also makes many allusions to the union of the German States. The London journals comment favorably upon this note, regarding it as pacific in tone and tranquilizing in its tendency.

The French press, while they seem disposed to find little fault with what M. Bismarck says, denounce the circular, because, in all its references to German unity, it completely ignores the Treaty of Prague, and omits all allusion to the obligations under which Prussia rests to fulfil the stipulations of that solemn compact.

FRANCE.

THE CREDIT MOBILIER.

PARIS, Sept. 20.—As the day for the annual statement of the accounts of the Credit Mobilier approaches, much disquietude is apparent on the Bourse. The operations of the Credit Mobilier exercise a powerful influence upon monetary affairs in France, and the anxiety to know with exactitude its condition is correspondingly great.

SPAIN.

THE CUBAN TELEGRAPH.

LONDON, Sept. 19—2:57 p. m.—The following communication has been addressed by the President of the Council of Ministers, at Lageanaman, to the Hon. Horatio J. Perry, Acting United States Minister at Madrid:

"I have had the honor to receive your telegram of last night, congratulating Her Majesty Queen Isabel for yourself, and in the name of the Telegraph Company between Spain and the Island of Cuba.

"Her Majesty charges me to express to you and the Company her gratitude and sincere satisfaction at this happy event, and felicitates the Company for the talent and perseverance with which it has carried its work to a conclusion. The Government accepts with pleasure the thanks which the Company expresses, and in its turn congratulates itself for having conceded the grants and privileges necessary for the establishment of this important communication. The President of the Council begs you to transmit to the distinguished President of the Company, Mr. Wm. F. Smith, the expression of his sentiments of consideration and unalterable friendship."

MARINE INTELLIGENCE.

QUEENSTOWN, Sept. 20—Noon.—The steamship Cuba, Capt. Stone, from Boston, on the 10th inst., has arrived here, on the way to Liverpool.

BREST, Sept. 20.—The steamship Ville de Paris, from this port, arrived at Brest on Monday evening, the 16th inst., instead of Tuesday morning, the 17th, as before reported.

FINANCIAL AND COMMERCIAL.

LONDON, Sept. 20—Noon.—Consols, for money, 94½. United States Five-Twenty Bonds, 73. Illinois Central Railway Shares, 77½. Erie Railway Shares, 41; market nominal. Atlantic and Great Western Consolidated Bonds, 22½.

Afternoon.—Consols steady at 94¾ for money. Illinois Central Shares have fallen ½, and are now quoted at 77. Erie Railway Shares are quoted at this hour at 41½.

Evening.—Consols closed a shade weaker, at 94 11-16 for money. American Securities closed at the following rates: United States Five-twenty Bonds better, at 73½. Illinois Central Railway Shares, 77. Erie Railway Shares, 41½.

FRANKFORT, Sept. 20—Noon.—United States Five-Twenties, for the issue of 1862, are quoted at 76 3-16.

Evening—United States Bonds closed at 76¾ for the issue of 1862.

LIVERPOOL, Sept. 20—11 a. m.—The regular weekly *Brokers' Circular* reports the sales of cotton for the week at 75,000 bales, of which 16,000 bales were for export and 5,000 bales on speculation. The stock in port is 837,000 bales, of which 270,000 bales are American. It is estimated that the sales to-day will foot up about 10,000 bales. The following are the opening quotations: Middling Uplands, 9⅛d.; Middling Orleans, 9½d.

Noon.—Breadstuffs—Wheat, 13/6 ℘ cental for White California. Corn advanced to 40/3 ℘ quarter for Mixed Western. Peas, 42/6 ℘ 504 lb for Canadian. Barley, 5/1 ℘ 60 lb, for American. Oats, 3/6 ℘ 60 lb, for Canadian. Cheese, 53/ ℘ cwt. for Middling American. Beef, 147/6 ℘ 304 lb for Extra Prime Mess. Pork, 71/ ℘ 200 lb for Prime City Mess. Lard, 51/3 ℘ cwt. for American. Bacon, 42/6 ℘ cwt. for Middles. Rosin, 8/ ℘ cwt. for Common American, and 12/ for Medium. Tallow, 44/3 ℘ cwt. for American. Pot Ashes, 31/ ℘ cwt. Spirits Turpentine, 28/6 ℘ cwt. Petroleum, 10d. ℘ gallon for Spirits, and 1/5 for Standard White. Clover Seed, 41/ ℘ cwt. for American Red.

Afternoon.—Business in Cotton fair; sales will exceed the noon estimates by 2,000 bales; quotations unchanged. Prices in Breadstuffs advancing. Corn buoyant; new Mixed Western has advanced to 41/6 per quarter. California Wheat is quoted at 13/8 per cental, an advance of 2d. There is a similar rise in Barley, which is selling at 5/3 per bush. for American. Oats 1d. better; sales at 3/7 ℘ 45 lb. Peas, 1/6 higher, now sold at 44/ per quarter. No changes are reported in Provisions. Tallow—3d. higher; American, 44/6 per cwt.

Evening.—There has been some improvement in business, but the market is unchanged. The following are the authorized quotations: Middling Uplands, 9⅛d; Middling Orleans, 9½d. The sales of the day foot up 12,000 bales. The advices from Manchester are favorable. The market for goods and yarns is buoyant. The Breadstuffs market closed strong and firm at the advance which was realized to-day on all articles. Corn has made a further advance of 3d. since 2 p. m., and closed at 41/9 ℘ quarter for New Mixed Western. Wheat firm at 13/7 ℘ cental for California. Barley, 5/3 ℘ bush. Oats, 3/7 ℘ 45 lb. Peas, 44/ for Canadian. Beef, 147/6, and Pork 71/ ℘ bbl. Bacon, 42/6 for Cumberland Cut Middles. Lard, 51/3. Cheese, 53/. Rosin—8/ for Common Wilmington, and 12/ for Medium. Tallow firm at 44/6 for American. Turpentine 28/6. Petroleum—Spirits, 10d.; Refined, 1/5.

LONDON, Sept. 20—Noon.—No. 12 Dutch Standard Sugar, 25/. Calcutta Linseed, 68/ per quarter. Whale Oil, £40 per 252 gallons. Sperm Oil, £115 per tun. Linseed Oil, £39 per tun. Linseed Cakes, £10 5/ per tun for feeding.

Afternoon.—Sugar firm at 25/ for No. 12 D. S. No alteration in the prices of other articles.

Evening.—Sugar closed at 25/ for No. 12 D. S. Oils and Linseeds unchanged from previous quotations.

ANTWERP, Sept. 20—Afternoon.—There is a better feeling in the market, but prices are nominally unchanged.

Evening.—The Petroleum market closed firmer, and an advance of 50 centimes realized. The last sales of Standard White were at 55 francs ℘ barrel.

MEXICO.

RECEPTION OF MINISTER OTTERBOURG—THE ADDRESSES.

WASHINGTON, Sept. 20.—It is already known that in August last Mr. Marcus Otterbourg presented his credentials as Envoy Extraordinary and Minister Plenipotentiary of the United States near the United Mexican States to President Don Benito Juarez. The following addresses were delivered on that occasion, as obtained from an official source:

MR. PRESIDENT: I have the honor to present to your Excellency my credentials as Envoy Extraordinary and Minister Plenipotentiary of the United States of America to reside near the Constitutional Government of the United Mexican States. The nomination of a representative to be accredited so early after the return of your Government to the Capital of the Republic is an earnest of the sympathy of the United States with the triumph achieved through the heroic constancy of Mexico in her recent struggle for independence and liberal institutions. The Government of the American people, true to the discharge of its international duties and obligations, which it owes both to its own citizens and to other nations, has, with a fidelity, honor, and integrity which command the respect of the civilized world, upheld the cause of Republicanism, and with it the integrity of Mexico. Its measures and policy in its intercourse with other nations during your struggle have been frank, open, and undisguised, demanding nothing but what is right, and submitting to nothing that is wrong. It has vindicated itself in the purity, integrity, and loyalty to the principles cherished by the American people. Allowed thus to characterize the brilliant national career of my country, which, by her action, has won the confidence and respect of the world, I am proud, Mr. President, to have been selected by the President of the United States to express to you the profound sympathy entertained for Mexico by the Government and people, so characterized, and their desire of cherishing and advancing on all occasions the mutual interest and happiness of the two Republics, and I but feebly interpret the thoughts of the Government and people of the United States with the assurance that they look forward to the time when the promise given by Mexico in her recent struggle for free institutions shall be fulfilled in an equally prosperous career. Imbued by a long residence in Mexico with a like sympathy for the welfare and prosperity of her people, I can with equal frankness, Mr. President, assure you that I shall, within the scope of my duty and instructions, endeavor to coöperate toward these mutually desirable ends.

The reply of President Juarez was as follows:

[Translation.]

MR. MINISTER: The satisfaction which I would feel under all circumstances on receiving an Envoy Extraordinary and Minister Plenipotentiary of the United States of America near the Government of the Mexican Republic, is much increased when you manifest that your nomination is a proof of the sympathy of the United States for the triumph which Mexico has obtained in the defense of her independence and her free institutions. The United States have given the weight of their moral support to the cause of Republicanism everywhere, and to its free preservation in Mexico, in sustaining the great principles of international right. The people and the Government of Mexico, in their stuggle for their cause of a Republic against a foreign intervention, have estimated, and do estimate to their full value, the sympathies of the people and Government of the United States, which, in the grandeur of their prosperity, have demonstrated the justice of their policy in sustaining the principle of non-intervention as one of the first obligations of Governments in the respect due to the liberty of the people, and to rights of nations. I am grateful to you, Mr. Minister, for the expression of your benevolent sentiments for the welfare of the Mexican people, and with them you give me the assurance of your efficacious coöperation in the desire which animates the Government of Mexico of cultivating and improving its relations with the United States, to maintain always good friendship, and to preserve the mutual interests of the two nations.

THE INDIAN WAR.

PEACE DECLARED WITH THE BRULES, OGALLALLAS, AND SIOUX.

BY TELEGRAPH TO THE TRIBUNE.

NORTH PLATTE, Neb., via OMAHA, Sept. 20.—Peace is declared with the Brules, Ogallallas, and Sioux. Powder and ball will be given them to-morrow Gen. Sherman and Commissioners Taylor and Henderson spoke to the Indians to-day. Pawnee-Killer left the Council in anger. The Commissioners meet here again on the 1st of November. We leave for Omaha this afternoon.

CHARGES OF FRAUD AGAINST INDIAN AGENT KINNEY—THE NORTH PLATTE INDIANS DEMAND THE ABANDONMENT OF THE PACIFIC RAILROADS.

ST. LOUIS, Sept. 20.—A special dispatch from Omaha says that John W. Smith, the last resident of the country of the Crow Indians, has just returned from Fort Phil. Kearny. He writes to *The Herald*, charging Judge Kinney, Special Indian Agent at Fort Kearny, with gross injustice and fraud in his dealings with the Crow Indians, compelling them to remain in the Sioux country against their will for the purpose of reviving trade; also, that the annuities, amounting to $25,000, promised three years ago were never paid, and he claims that the goods sold at Kenney's own store to the Indians were furnished by the Government for free distribution.

Dispatches from the North Platte say that the Indians in council there yesterday, demanded the unconditional abandonment of the Powder River country, the abandonment of both the Pacific Railroads, and that they be supplied with guns and ammunition before they make peace. Otherwise they declared that they will carry on a war of extermination.

ATTACK UPON A RAILROAD CAMP—FIVE MEN KILLED.

ELLSWORTH, Kansas, Sept. 20.—The camp of Thomas Parker, a railroad contractor, 46 miles above Fort Hayes, was attacked by Indians yesterday at noon. Forty-seven men were in the camp at the time. Parker and five men were killed, and five mortally wounded. Eight Indians were killed. Parker's body was pierced by 15 bullet, lance and arrow wounds. The report of the escaping of Sharpe, of the firm of Shaw & Sharpe, is untrue; but five men of their outfit were killed on Monday. Two brothers named Farrell were arrested at Fort Harker today, charged with the murder of Frank Johnson, a few days ago. The track of the Union Pacific Railroad, Eastern Division, is rapidly progressing, and has now reached a point 15 miles from Fort Hayes.

GEN. SHERIDAN AT HARRISBURG.

ENTHUSIASTIC RECEPTION—SPEECH OF GOV. GEARY.

HARRISBURG, Pa., Sept. 20.—Gen. Phil. Sheridan arrived here this morning, and breakfasted at the depot before going to Washington. Although only half an hour's notice was given of his coming, an immense crowd gathered at the depot. Gov. Geary received and introduced him as follows:

FELLOW-CITIZENS: It affords me great pleasure to present to you one who, though personally unknown to many of you, acquired fame which has reached every household in the land; a man whose services in behalf of the country have given him a place in the hearts of all loyal people of the nation. His brilliant achievements on the field of strife have made for him a reputation surpassed by none of the military heroes of the world; and his admirable administration of the civil affairs since the termination of hostilities have added new luster to those achievements, and have caused the hearts of the people to vibrate with one pulsation as that of a single man. He is the observed of all observers, the admired of all admirers, and I take pleasure in welcoming him with a thrice hearty welcome to the capital of the great commonwealth of Pennsylvania, knowing that in doing so I shall meet with a cordial response from the loyal citizens of the Keystone State. I have now the honor to introduce to you my friend and fellow-soldier, Major-Gen. Phil. Sheridan, more familiarly and affectionately known as "Cavalry Sheridan."

The Governor was frequently interrupted by applause, and at the close enthusiastic cheers were given for Gen. Sheridan.

Gen. Sheridan briefly responded, returning thanks to the Governor and the citizens for their kindness.

CANADA.

MONTREAL, Canada, Sept. 20.—The directors of the Commercial Bank of Canada have made a report recommending the redemption of the stock to the amount of 60 per cent, to provide against possible losses. The business of the bank is said to be in a favorable position.

QUEBEC, Sept. 20.—The steam troop ship Himalaya, which sailed on the 4th inst., with the 16th Rifles on board, is reported detained at Quarantine Island from the prevalence of Asiatic cholera.

LOSS OF THE UNITED STATES STEAMER SHUBRICK.

SAN FRANCISCO, Sept. 14.—The United States steamer Shubrick went ashore on the 8th inst., in a fog, 30 miles below Cape Mendocino. She was returning from a trip to convey light-house material. It is not known if she can be saved.

SOUTH AMERICA.

The steamship Arizona, from Aspinwall Sept. 12, arrived here yesterday. The following is her list of specie:

FROM PANAMA.	
Panama Railroad Co....	$22,420 27
Eugene Kelly & Co......	94,400 00
Wells, Fargo & Co......	252,771 40
Dabney, Morgan & Co.	51,990 94
Lees & Waller.........	392,251 95
Order.................	500,000 00
C. B. Richard & Bro....	1,532 10
Total......	$1,315,366 66
FROM ASPINWALL.	
James L. O'Conner......	34,000 00
S. L. Isaacs & Asch....	1,600 00
Grand total............	$1,350,966 66

CHILI.

THE DEFENSES OF VALPARAISO—REDUCTION OF THE ARMY—THE AURACANIAN TERRITORY.

From Our Special Correspondent.

VALPARAISO, Aug. 17, 1867.

A few months since, a Belgian engineer who has charge of the fortifications about Callao, was, by the request of this Government, ordered to this city to inspect the plan, and, if necessary, superintend the construction of its defenses. The report which he subsequently submitted to the Minister of War shows that all the points occupied by the forts have been selected with intelligence and sagacity. "They not only afford the advantage of engaging the enemy at a very considerable distance on the sea side, thus rendering a bombardment almost impossible, but from the beginning of the engagement the fire of the assailants against the city and the batteries which defend its approaches will be ineffectual." He also shows that the work has been conducted with economy, the expenditure having been incredibly small for the amount of labor performed. Several plans have been drawn up by this engineer for the completing of the fortifications. "Once accomplished, Valpariso will be, he says, a city of *respectable* strength."

Attention has also been directed to the guns cast in this country, and they are pronounced, after a succession of trials, a complete success. The army is reduced to almost a peace footing. The National Guard consists of 54,000 rank and file, 3,000 of which belong to the artillery, 33,000 to the infantry, and 18,000 to the cavalry.

The Chilian settlements recently established on the frontier of the Auracanian territory, are shown by the last statistics to have increased in most encouraging ratio. Further guarantees of security against attacks by the savages will be extended in the course of the coming Spring, as the population advances toward the northern boundary of that region.

The above are the principal points of the report. It shows the condition of this branch of national affairs, upon the management of which such a persistent silence has been observed throughout the present year—a silence which at last explains itself.

The Minister of the Treasury has also laid before Congress his report for the present year. The disbursements amount to $11,605,602 13; the receipts show a total of only $9,000,000, leaving a difference of $2,500,000, which is expected to be covered with the surplus of the last loan. Among the disbursements is reckoned the payment of the second dividend of the loan of £400,000 raised in London.

CONTRACT FOR REMOVAL OF GUANO.

SAN FRANCISCO, Sept. 14.—*The Bulletin* has advices from Chili that J. L. Whitman and Harry Meigs have a contract with a French company, amounting to $6,000,000, for the removal of the immense deposit of guano from Megillones Point, which is held jointly by Bolivia and Chili.

COLOMBIA.

THE PANAMA RAILROAD—EXTENSION OF THE CHARTER—RESTORATION OF PEACE THROUGHOUT THE REPUBLIC—BRUTAL MURDER OF AMERICANS.

From Our Special Correspondent.

PANAMA, Sept. 12, 1867.

After much trouble, considerable expense, great anxiety, and indomitable perseverance, the agents of the Panama Railroad Company have succeeded in obtaining a renewal of their charter. The gratifying announcement, long looked for and foretold, was received in this city a few days ago, and was the cause of no small share of satisfaction to many who had expressed themselves as favorable to the extension of the lease to, and its retention by, the present holders. And it must be admitted that Messrs. Nelson and Totten, the enterprising and indefatigable agents of the Company, have made admirable use of the *carte blanche* which was given them by the shareholders in New-York, and have acted no less wisely than sedulously in their efforts to secure the extension of the charter. From the day when it became known that the time allotted to the present leaseholders was drawing to a close, proceedings were set on foot having for their object the securing of the lease to rival parties. And it is not surprising that this should have been the case. The importance of the [illegible] American energy, had become daily more manifest; the fact that the control of this transit was in the hands of an American company was no doubt a source of great jealousy to English capitalists trading on this side, and the idea—a fanciful one, but rather worth the trial—suggested itself to the minds of Englishmen that British capital might do something in the way of buying out the road and effecting its transfer in their favor. The scheme most likely to be successful was tried. The intending purchasers managed to prepossess the ex-Grand General, then in power, in their behalf; fabulous sums were offered by English firms; everything that entreaty, backed by pounds, shillings, and pence, could be supposed to effect, was tried to wrest the renewal of the contract from the hands of those who were most entitled to it, and, for a time, it seemed as if John Bull's "shiners" would have carried the day. Mosquera and his Congress were in open rebellion on account of this very railroad question. He maintained his ground apparently determined to dispose of the matter as he alone thought fit. A series of unconstitutional acts—not the least of which was his resolution to transfer the Panama Railroad, right or wrong, to English hands—culminated in his ultimate imprisonment, and the tide which had set in through his extra-Congressional doings, in favor of English moneyed men, now began to ebb, while the American interest and right in the concern increased proportionately. From that time Messrs. Nelson and Totten entered into the important engagement with renewed vigor, sparing no pains, no expense, no advantage to secure the success of their mission, and now, after the elapse of months of incessant, unwearied toil, after battling with every obstacle and contending with every difficulty—after urging and negotiating, and striving, and contaminating—their work has been accomplished—their labors have been crowned with success—their opponents have been vanquished—the Panama Railroad Company has been triumphant! Well done good and faithful servants. You have done your best and your reward is certain. The shareholders of the Company have been hitherto too liberal toward their employes not to reward you amply for doing them a service which is to enure for 99 years.

The provisions of the contract between the Company and the National Government have been published, but they are too lengthy to admit of a place in this letter. It is understood by them that the Company agrees to pay down right away $1,000,000 to the General Government and an annual rent of $250,000. Panama gets out of this latter sum $25,000 a year as a consideration for the fact that the road passes through the territory. The Company have also the right conceded them of using certain lands and properties, together with the adjacent island of Manzanillo, for the purpose of carrying out certain improvements and erecting works of utility long in contemplation, I believe, now stipulated in their contract. Among these latter I have heard mentioned that they intend, at great cost, to erect a viaduct across the bay, connecting the Island of Hamanco with the mainland by rail, and thus facilitate and cheapen the dispatch of cargo and transfer of passengers to a considerable extent. This will require time and money for its completion, not to speak of the amount of skilled labor which would be needed, and which might be difficult to obtain. There can be no doubt, however, on one point, and that is the immense benefit that the Isthmus will derive from this extension of the charter. Nor must the fact be overlooked that as long as an American company had possession of this important transit route the entire nation is more or less identified with the place—an interest which the Government is bound to share in common with the nation. Panama, then, will brighten up; she will get polished by rubbing against the sides of America, and Aspinwall is in transports as she is likely as hitherto to get the lion's share of the gold circulated by traffic. Good seems in store for all hands. In the mean time, American enterprise has a great field on this isthmus for developing itself.

The entire Republic is at peace. With the arrest of Herrara (who, by the way, is only a namesake of the General, whose exploits for the good of his country are about to be rewarded with statuary), and, as is supposed, his death, the lingering revolution inaugurated by the self-made, but now humbled, Dictator, is ended, and nothing but the sad traces left behind are to be seen. This pugnacious and foolhardy Mosqueristan was, after his destruction of Rio Hache, and his defeat, pursued by the brave Farrias, and captured at El Angel, whither he had fled for safety. By this time, it is feasible to conjecture, he has been put through summarily—a fate which he justly deserved—and there is therefore no fear of his heading another army, as he would undoubtedly have done if he had the chance, and spreading fire and sword through the land. The revolution, or rather insurrection, in Boyacan is reported suppressed, the State troops of Candinamarca having attacked and defeated the guerrillas at Jacotativa. Radecindo Lopez, who had been making some desultory skirmishes in Magdalena in the cause of poor Old Mos., has at length submitted to the General Government, and his hardy, weather-beaten troops, tired of fruitless marches and a barren campaign, have gladly accepted the offer of their chief to come to terms with Acosta. At last advice the General and his troops were at Honda, ready to march to, not against, the capital. It need hardly be said that they would be well received by Acosta. Gen. Santos Gutierrez, who left here a few weeks ago, had arrived at Santa Martha, en route to the Capital, where the people were preparing an ovation on his reception. It is also stated that an agent of the celebrated firm of Robinson & Fleming had sailed for the Capital to claim damages from the Government for the loan contracted, and also to insure the payment of the steamer purchased (!) by Mosquera. The Cuaspud, the latest addition to the Colombian navy, was anxiously looked for at Santa Martha. From Bogota I learn that Mosquera was still a prisoner in the observatory. The indictment against him and his Cabinet had been drawn up and presented to the Senate, who were giving it their serious consideration. It is to be hoped that whatever is to be done in this important matter will not be characterized by the tardiness and sloth peculiar to Colombian action. The final disposition of the old man should be brought about with as much dispatch as is consistent with justice and public safety. I learn that at a meeting of the principal Mosqueristas, held at Bogota, it was unanimously resolved to tender to Acosta's Government the most unfaltering support. So far, so good.

Since writing the foregoing a batch of interesting and rather exciting news has been received, the purport of which is that the revolutionary fever has again broken out in the Cauca, and that a foul assassination of two officers (Americans), and the wounding severely of a third, by a ruffianly mob of Carthagenians, had taken place. The circumstances of the outrage may be thus narrated: It appears that Lieut. Dornin and Mr. Murdaugh of the Colombia were sent by Gen. Gutierrez from Santa Martha to Carthagena as Commissioners for the purpose of investigating certain matters in connection with the notorious Rayo, it having come to the knowledge of the local government that sundry articles, the property of officers of the latter vessel, had been stolen by natives. The Commissioners were accompanied by two gentlemen, Messrs. Borchert and Smith, as friends, and were regularly accredited and empowered with the functions necessary to the successful performance of their mission. The party left in due form on the morning of the 4th inst., and arrived at Carthagena at 5½ o'clock in the evening. Proceeding directly to the Bolivar Hotel, it appears they there encountered the former lieutenant (who is a native) of the Colombia, war steamer of this Republic, and who happened to have been on board at the time of her seizure. It is necessary, in order to throw light on the proceeding, to remind the reader that the Colombia was transferred to the State authorities by some trick on the part of the officers of the Rayo. On seeing the officers, the quondam Lieutenant shouted contemptuously in Spanish, "Here come the dogs!" and bolted off. Messrs. Dornin and Borchert went to a friend's, leaving Smith and Murdaugh at the hotel, to which the former returned some time after. They had not long arrived when they were attacked by a violent mob, headed and instigated by Gen. Mendoza and some of his underlings. The savages discharged their pistols at the party, killing Murdaugh and Borchert on the spot, and wounding Dornin severely. Lieut. Smith, who had by this time retired, was next searched for. Some forty armed wretches went up to his chamber door, and, by some providential chance, not discovering him, left with the impression that he was not there. This fortuitous circumstance saved his life. Had he been present with the other gentlemen, he would certainly have shared their fate. The mail agent of the British steamer Tyne was also in the crowd, and was fired at several times, but, fortunately, without effect. The wounded gentleman was taken on board the Tyne by the American Consul at Carthagena, escorted by a strong guard; and it gives me pleasure to state that our Consul also kindly undertook the burial of the two gentlemen killed, possessing himself also with their papers and credentials. The wounded Lieut. Dornin was landed at Aspinwall from the Tyne, and the bullet extracted from his shoulder, the blade of which was broken. The unfortunate Lieutenant lies in a weakly state, but is expected to live. Such is a bare outline of the outrage as it has come to hand. I believe it can be implicitly relied on, but refrain from making any comment. As far as I can learn, nothing has as yet been done in the vindication of justice. There can be no doubt that the determination of the mob was to murder the four gentlemen. The two escaped providentially.

PERU.

PACIFICATION OF THE INDIANS—INTERNAL IMPROVEMENTS—PRADO DECLARED CONSTITUTIONAL PRESIDENT.

From Our Special Correspondent.

LIMA, Aug. 28, 1867.

The Indians in the Province of Puno have been pacified, and confidence is again restored. All the property that has been forcibly taken during the last two years from them is being restored, either in kind or money, and strict orders have been sent by the Government to punish severely any outrage that may in future be committed upon these poor unfortunates, no matter whether civilians or military.

The work on the Lake Titicaca will be completed in four months more, when the two steamers that have been transported over the mountains, in piecemeal, upon mules' backs, will be ready also to commence the navigation of this grand, inland sea, that partially divides Peru and Bolivia. The steamers are about 200 tuns each, and are iron. They were constructed in England about three years ago, but owing to the great distance from the sea coast to the lake, and the immense difficulties that had to be overcome in transporting the whole of the machinery and material over the first and second ranges of the Andes, it has taken up to the present time to bring them to their destination. The steamers are Government property, but they will run upon the lake, carrying passengers and freight between Peru and Bolivia. It is reported that by the time the steamers are in running condition they will have cost the Peruvian Government $1,000,000.

The rich silver mines in the Province of Huraz are about to be worked by an English company. The ore will be sent to the port of Culebras, and thence shipped to England to be smelted. The mines will be worked under the direction of Messrs. Ilks & Radcliff, two intelligent, practical miners. The company have a capital of $200,000. The first batch of ore will be shipped in October next, and will be about 50 to 60 tuns. These are the richest mines in Peru. The want of roads by which machinery could be conveyed have kept them from being worked. Lately, however, Mr. Goin, an American planter in that province, has discovered a passage through the lower ridge of the Andes that places these mines within easy distance of the coast, and at an expense of $50,000 an excellent wagon road could be made from the port direct to the mines. [illegible] the same results as that already assayed.

Congress has just declared, by a vote of 46 to 28, Col. Prado as Constitutional President of the Republic. The new Constitution will be promulgated on the 31st inst., and will in fifty days afterward be in full force in all parts of the Republic. The acts of the Dictatorship that have not been repealed by the present session are thus confirmed.

BRAZIL.

THE WAR IN PARAGUAY—THE FLANK MOVEMENT OF THE ALLIES—THE OCCUPATION OF TUYU-CUE—CAPTURE OF CORUMBO BY BRAZILIANS.

We have dates from Rio to Aug. 23, and from Buenos Ayres to Aug. 13.

About 1,300 troops and mariners have been forwarded to the River Plate during this fortnight, along with cargoes of munitions.

Another of the small monitors, to carry one Whitworth 70 pound rifled cannon, has been launched from the stocks of Ilha das Cobras.

From the provinces we learn that in Maranhao runaway slaves and others having formed a band of plunderers in the district of Maracassumé, a force of 400 men raised in the neighboring county beat and dispersed them, recapturing most of the plunder. In consequence, the President had ordered the extirpation of all the quilombos, or runaway villages, and the force charged with the duty had already destroyed one of 80 huts.

In Matto Grosso a battalion of the Provincial forces had surprised and recaptured the Brazilian fortified town of Corumbá on the Upper Paraguay, held for the last two years by the Paraguayans, who had opened thence a road to Bolivia to receive supplies. The Brazilian loss was eight killed and 13 wounded; that of the Paraguayans, 115 killed and 27 prisoners, together with six cannon and other trophies.

From the seat of war we hear that the Marquis of Caxias had successfully carried out the troublesome and dangerous march which he was stated by the last packet to have initiated.

On the 22d of July, leaving 12,000 men in Tuyuty, under the Visconde de Porto Alegre, to defend the strongly-fortified base there, he started with 23,000 men and 40 cannon to make a detour round to the more open and drier ground in the rear of the extreme left of the Paraguayan lines at Tuyuty. This was effected without opposition by the 28th, after a toilsome circuit of 30 miles over a difficult ground, intersected with muddy "esteros," and the camp was established at Tuyú-Cué, which, and the neighboring villages, the Paraguayans had abandoned and ruined. This new position lies on the east side of the Paraguayan lines, connecting Curupaity and Humaitá, and gives the allies facilities for attacking them at the land sides, and for intercepting the supplies. The Allies were throwing up works for the planting of cannon, while the cavalry made exploration of the country, and drove in the Paraguayan cavalry, the inferiority of whose horses rendered the valor of the riders of little avail. Two collisions had occurred in this service, in both of which the Paraguayan cavalry were routed and badly cut up by the Rio Grandenses; and the telegraph wire connecting Humaitá and Asuncion was cut in various places over an extent of 12 miles.

Tuyú-Cué is only six or seven miles in a direct line from Tuyuty, and the Allies had opened a road of about 20 miles extent, which communicated more directly than by the route first traveled. It passing, however, at no great distance from a part of the Paraguayan lines, the enemy's cavalry made frequent attempts to cut off the convoys, and on two occasions were partially successful.

Gen. Mitre arrived on the 30th at Tuyú-Cué, with two battalions of Argentine cavalry returned from the provinces, and on the 31st reassumed the command-in-chief. The plan ascribed to the Allies is a close investment and siege, the iron-clads forcing, if possible, a passage above Humaitá, to intercept supplies by the river, while their cavalry would intercept those by land, and, if necessary command the Paraguay above Humaitá with their cannon. Up to last dates the fleet had not made the movement.

Juan Saa had invaded the provinces again, and was directing his course on Cordova.

The Chamber of Deputies had voted by a majority of 26 to 10 the bill transferring the seat of the Confederation to Rosario. The bill was in the Senate.

A report that on the 11th the Allies had suffered a heavy loss in the shape of a large convoy captured by the Paraguayans, proves to have so far a foundation that the enemy obtained temporary possession but were almost cut to pieces by a regiment of cavalry which came up in time and recaptured the whole.

On the Upper Uruguay a mutiny occurred on July 16 on board the armed Brazilian steamer Taquary, the object being to kill two obnoxious officers. In consequence 29 of the crew had been imprisoned and the commander superseded. An officer goes from Rio to investigate the affair.

H. B. M's gunboat Dotterel, Commander Michill, has gone up the River Paraguay to Asuncion, with the object of ascertaining whether any British subjects are there retained against their will.

AUSTRALASIA.

The Panama, New-Zealand and Australian Royal Mail Company's steamer Rakaia, S. Harry Wright, esq., commander, arrived at Panama on the 3d inst. Her latest dates are Melbourne, August 27, Sydney, August 1, and Wellington, August 8.

VICTORIA.

PROCEEDINGS OF THE LEGISLATIVE ASSEMBLY—PRINCE ALFRED—MINING ENTERPRISE.

From Our Special Correspondent.

MELBOURNE, July 27, 1867.

Some twelve months ago our Ministry, backed by a large majority of the Legislative Assembly, resolved to compensate the late Governor, Sir Charles Darling, for loss of office, by voting him the sum of £20,000. This was ostensibly to be given in the name of Lady Darling, as it was thought His Excellency would be precluded by imperial etiquette from receiving it in person. A memorial was sent home to Her Majesty, submitting the proposition for her approval, to which an answer was received, that it would preclude Sir Charles Darling from being again employed in the Colonial service. This shelved the matter for a time. During the week, however, a dispatch was laid on the table of Parliament, conveying the information that His Excellency had retired, and as there was now no obstacle in the way, a supplementary estimate was immediately afterward tabled by the honorable the Treasurer, containing the proposed vote of £20,000 to Lady Darling, and additional estimates which would increase the amount required by the Government, as mentioned in the budget, by £202,000. The Opposition thought it most extraordinary to ask the House to vote this amount without a supplementary financial statement by the Treasurer, as unless it was shown where the money was to come from there would be a deficit at the end of the year of probably a quarter of million sterling. On the first item of the additional votes being proposed, the opposition moved that the Chairman report progress, which was lost by a large majority. They next moved that the debate be adjourned with a like result, and continued these motions alternately throughout the whole of the night and next day—the object being to take advantage of the forms of the House to compel the Government to make the required financial statement. The press were excluded about midnight, and from that hour to next day at 4 o'clock both sides maintained the fight with indomitable spirit. Some rich scenes are said to have occurred, honorable members, overcome by sleep, hardly able to awake in time for the division, and occasionally the debate—if such it could be called—enlivened by acrimoniously personal language not of the choicest nature. At the expiration of 24 hours the press was readmitted, and ultimately the Government so far gave way as to postpone any new vote the opposition objected to, and this compromise having been arrived at, business progressed until the usual time for adjournment arrived, the small minority of the opposition having gained their point in promised financial statement after the mail leaves.

During the month a serious charge of corruption was made by the first gold discoverer, Mr. Hargreaves, against members of the Assembly. He had a claim of £2,500 before the House as a reward for his gold discoveries. He had previously obtained a like amount, and it was then considered by many he should have got £5,000: the balance was now submitted to the Assembly. On the authority of Mr. Hargreaves one of the daily journals openly alleged that this would not be voted unless Mr. Hargreaves guaranteed six members £50 each. But the publisher and Mr. Hargreaves were brought before the House, when it appeared that no members could be named, and that the affair had arisen out of some alleged offer made by a third party acting outside. A committee was appointed to inquire into the matter, but has not yet reported. So far as is known there is nothing whatever to implicate any member of the House, and this, for the credit of democratic institutions, is a source of gratification.

A vacancy has occurred in one of the electoral districts, and Mr. Gavan Duffy, formerly the Minister of Lands, is a candidate, the retiring member, Mr. Sands, having resigned as certain evidence had transpired which gave credence to a report that he had benefited himself pecuniarily through Government patronage.

Mr. O'Shanassy, formerly Chief Secretary, and whose visits home you will, through the English press, be already acquainted with, arrived last week by the Great Britain. He is looked forward to by the opposition as the coming man, and will, no doubt, on the approach of the next general election, take an active part in politics.

The Great Britain made the passage from Liverpool to Melbourne on this occasion in 58 days. She has made the most regular passages of any vessel to these shores—generally 57 to 60 days—and, although 20 years in service, looks as smart, if not better, than she did when trading to New-York, 16 years ago.

Serious floods have occurred in the neighboring colony of New South Wales, which have resulted in a large sacrifice both of life and property. The colony has generously come forward liberally with pecuniary succor for the relief of the sufferers. The floods were the highest that have taken place in the memory of the white inhabitants.

We, in common with the other colonies here, are making preparations for a suitable reception of His Royal Highness the Duke of Edinburgh (Prince Alfred), who is expected in H. M. S. Galatea in about a month. Parliament has voted £5,000, and the citizens of Melbourne are busy preparing for a general illumination. We are not quite so monarchical in our notions in this city as they are in the smaller province of South Australia, where a speaker was loudly cheered when he expressed a hope that Prince Alfred would yet be crowned King of Australia! There are some loyal old fogies among us, but the ruling spirit here is essentially democratic; and while we are loyal enough we are so because we are left to govern ourselves.

Mining enterprise has received a great impetus by a new rush on Bendigo, at a place called Myers Flat. Bendigo was formerly one of the richest alluvial diggings, and a great deal of gold had been obtained at the head of this flat, but the lead was lost and supposed to have run out; and any idea of an extensive alluvial diggings in these days of quartz reefs and deep sinking was little thought of. Some prospectors, however, have hit again upon the lead, and a large rush has just set in, which reminds one of the diggins of twelve years back. The sink-[illegible] varies from 2 to 12 ozs. per load; 15 dwts. was washed off the bottom of a claim near the prospectors from a tin dish.

Our local industries proceed slowly but satisfactorily. Tanning is now carried on very extensively, and several large additions to some establishments have been made during the month.

A kerosene distillery is now in operation in the neighborhood of Melbourne, and it has turned out some excellent oil, produced from shale found in the neighboring colony of New South Wales. The low price (2s. 6d.) at which kerosene has touched has, however, somewhat damped our ardor in being able to compete with the American oil.

Several of our banks and gas companies have declared dividends during the month of from 9 to 10 per cent. One bank (the Commercial) at Sydney has declared a dividend of 17 per cent. There have been one or two small failures during the month, but on the whole business is fair, and the standing of our commercial men sound. The tariff of the present Government has considerably reduced our shipping, and Hobson's Bay, at the present moment, does not present the same busy scene it did some time back.

NEW SOUTH WALES.

PRINCE ALFRED—THE LATE FLOODS—THE POSTAL CONFERENCE APPROVED.

Great preparations are being made throughout the colonies to give a suitable reception to Prince Alfred who is to arrive in Australia about the end of next month, and after visiting the capital of each colony proceeds to Tahiti, and from thence returns to England.

The country districts are recovering the effects of the late floods. The subscriptions in aid of the sufferers now amount to £15,000, and will go far to alleviate the distress otherwise inevitable.

Both Houses of Parliament have approved of the Postal Conference resolutions, but it is feared that the arrangement will fall through.

SOUTH AUSTRALIA.

The Treasurer's financial statement shows a deficit on the year of £168,000, which is likely to increase to $200,000. No new taxation is yet proposed, but that something must be done is evident.

TASMANIA.

The salmon are now thoroughly acclimatized, and the young fry of those raised from ova brought from England are looked for.

It is expected that the submarine telegraph from Cape Schank, Victoria, to Tamar Heads, Tasmania, will be laid by January next; it is estimated the outlay will be £100,000.

QUEENSLAND.

New diggings, 250 miles from the settlement of Bowen, have been discovered and promise well.

The Leichardt search expedition has been disbanded.

NEW-ZEALAND.

PROCEEDINGS OF PARLIAMENT.

On the 9th of July the second session of the fourth Parliament of New-Zealand was opened at Wellington by Gov. Grey in person. The opening address, says *The Wellington Advertiser*, was not by any means a remarkable document, although it briefly indicated the intention of the Government to deal with various important subjects. Among those the conversion of Provincial loans into Colonial stock, the extension of the Colonial credit to enterprises calculated to foster and extend the important industry of the gold fields by offering a guarantee of interest on capital invested in procuring a supply of water for the operations of gold mining, a bill to provide for local self-government by the establishing of Municipalities or Shires, and the appointment of a Royal Commission to inquire as to a central penal establishment for the Colony, held a prominent position. The reply to the address was so carefully worded as not to give the Opposition any ground on which to base an amendment, and after a comparatively unimportant debate, it was adopted.

A bill, founded on an act long in force in Canada, has been introduced by the Government to establish shires and counties, the governing bodies of which are to be entitled to a fixed share of the land revenue, and assistance from the general revenue in proportion to the amount raised in rates. There is little doubt that such a measure would prove very acceptable to the country at large, but as the bill is strongly opposed by the Provincial party, as an attack on the integrity of Provincial institutions, and as it will not be made a Ministerial question, it is scarcely likely to be passed this session, or if it is passed it will not be till after it is considerably altered in committee.

A joint committee of both Houses has been appointed to consider the question of endowing Scholarships to the English Universities for boys who distinguish themselves in the public schools of the Colony. The question of a Colonial University is also to be considered and reported on by the committee.

An attempt to obtain a reduction of the export duty on gold was made by Mr. Haughton, an Otago member, but was unsuccessful. The Otago Provincial Council recommended, during its last session, a reduction in the duty at the rate of sixpence an ounce, until the duty was abolished altogether, and the bill was to give effect to this recommendation. The Canterbury and Nelson members, however, did not like their Provinces to be deprived of the revenue derived from the gold duty, and strongly opposed the bill, which was thrown out.

THE PACIFIC COAST.

SAN FRANCISCO, Sept. 14.—The bark Milan cleared from San Francisco to-day for Sitka with a cargo of building material for the Government. The overland mail last night brought the dates from New-York to Aug. 28.

Mining shares continue drooping. Alpha, $450; Crown Point, $710; Gould & Curry, $330; Hale & Norcross, $1,400; Yellow Jacket, $407; Chollar, $333. Legal tenders, 69¾ @70.

PEAT FUEL.

PROGRESS OF THE PAST YEAR IN THE MANUFACTURE AND USE OF PEAT FUEL.

At the close of our long Peat article, published in THE TRIBUNE last year, we intimated the intention of renewing the subject whenever the case warranted or the public seemed to demand. That time has arrived. There are continual inquiries: What are the results of the last year's operations? Is the Peat business likely to prove a success? For what purposes is this fuel best adapted? And what machinery for its preparation has proved the most successful?

PEAT IN THE DISMAL SWAMP.

The Dismal Swamp is probably the largest available peat deposit in America, if not in the world; and its availability arises in a great measure from the fact that a canal large enough for small steamboats traverses its center. Its extent was first discovered March, 1728, by the surveyors of the Virginia and North Carolina State Line. It required eight days diligent labor to make the passage where that line crosses the swamp. Although its surface is so covered with roots that a person can travel over it, yet a pole can anywhere be thrust down from 10 to 40 feet through the soft peaty substance below. This swamp is everywhere covered with a dense growth of timber or smaller plants which have been growing and decaying from time immemorial. All this has furnished the substance of which peat is formed, to such an extent that the supply is incalculable. This is contrary to the received scientific opinion that peat is formed only in cold climates. The evidence to the contrary is here patent. Two companies at least have been organized, and have several of Leavitt's Peat Machines at work upon the banks of the Dismal Swamp Canal, and they find a ready market for their condensed peat. The steamboats pass up the Great Dismal Swamp Canal, within 50 rods of their works. The engineers of these boats are so much pleased with this fuel that they have contracted to take all the companies make with their present facilities, at $6 per tun. Other applicants for the fuel are already numerous, and a coal-dealer from Richmond has made written application to them to secure control of the entire product of their works for that market. The cost of labor there is much less than at the North, as they employ freedmen, mostly at a dollar a day. We have seen samples of this fuel which cannot be excelled in quality in any any northern region.

In digging, it is found that the roots of reeds and bushes are all upon the surface or not over one foot below; then the mass is perfectly plastic, yet so firm that it can be cut into cakes of any size that can be handled.

Much of the Dismal Swamp lands are not covered with timber, but contain a buried forest, some of the logs of which are as sound as they were ages ago.

It is a fact worth knowing that operators in this as well as in other peat swamps are generally healthy. During the time of Slavery, the deepest recesses of this swamp were always inhabited by negroes who built their cabins elevated upon stilts above the water. As the whole ground becomes navigable as fast as cleared of peat, it can be excavated by steam dredges, carried in boats to the condensing machines, and from them shipped on board of vessels navigating the canal. The water of Lake Drummond is remarkably clear, although of a reddish color. Upon a part of the area no bottom has yet been found, but the peat from the lowest depth is equal in quality to that nearest the surface. The peat appears to have the same antiseptic qualities as that of the Irish bogs. One of the peculiarities of the Dismal Swamp water is that it never spoils at sea.

PEAT IN CANADA.

We will now transfer the reader from the extreme Southern limit of the peat deposit to one far North, that is, the peat-fields of Canada. Mr. James Hodges of Montreal has done more than any other man to develop the wealth of that dominion lying buried and useless in the peat-swamps. He has conceived the idea of a peat manufactory which would be very suitable for operations in the Dismal Swamp, that is, a boat to float about in the bog carrying steam machinery, excavating, pulping, condensing, and partially drying the blocks of peat until they could be handled and carried to a storehouse where the curing could be [illegible] a canal excavating as it went, and spreading the pulped material by steam-power upon either bank until it was sufficiently cured in the sun. In this case the pulp would be spread in a thick mass over the whole area within reach of the carriers, and when dried until the surface begins to crack, a marker would be drawn over it, cutting it into suitably-sized blocks, which, in due time would be dry enough to hake. In about a fortnight of good weather these blocks would shrink and crack entirely apart, giving the appearance of a vast floor covered with black bricks 18 inches long and 6 inches wide. The haking process consists in setting up five bricks on end with one across the top to hold them together until they are dry enough to store, or else by leaning half a dozen together like sheaves of grain.

Where the peat is so homogeneous, and water so deep as it is in the Dismal Swamp, nothing would be easier than working a peat-bed upon Mr. Hodges's plan. Some persons have supposed it would be necessary to dig out roots of trees by hand. That is not so. We have seen the steam excavator at work in the marl beds of New-Jersey upon exactly the same principle as it would work upon a peat-bed where the overlying ground was covered with a heavy growth of oak trees. The stumps of these were pulled up and thrown aside with apparently as much ease as a boy would pick up and throw a stone at a bird. When the stumps, roots, dirt, and stone were all cleared away, then the machine lifted and emptied a tun of marl into a railroad car, and repeated the operation every minute until it was full. By this you will see that the more water there is in a peat-bog the easier it is to excavate and carry the substance to dry land. Almost the entire work can be done by steam-power, and from numerous actual experiments made within the past year in various parts of the country from Virginia to Nova Scotia it has been fully proved that no better fuel than condensed peat was ever used in the furnace of a steam-boiler.

Of further operations in Canada, we find a company has commenced on a very large bog near the Welland Canal said to contain 3,000 acres, with peat varying from four to fourteen feet. It is believed this bog will yield 5,000,000 tuns of peat fuel, which must be very valuable in a country where there is no coal, and where the immense primitive forests are rapidly disappearing. The conveniences for transportation are great, as the bog is only three quarters of a mile from the canal. It is said this peat contains much rosin, which makes it valuable for gas manufacturers. It is also valuable for smelting iron and copper ores. There is no doubt of an unlimited demand for such fuel in that section. We have been informed by Mr. Leavitt that applications for his machines are numerous from Canada, particularly by those who wish to operate them on private account.

PEAT FOR RAILROADS.

Peat-fuel has been used to a limited extent on many of our railroads, and with universally gratifying results.

The fact that in no one place has there yet been manufactured a quantity of the fuel sufficient to insure a steady and unlimited supply, appears to be the only reason why it is not now the standard fuel of several prominent roads, whose experience has been such that they would gladly use it in preference to wood or coal if the supply was forthcoming.

Its cost and value being established, it now awaits only the necessary enterprise to enter upon the manufacture of it, and produce the *quantity* required. The *market* is ready for it, and only waits the supply.

The same remarks apply with equal force to its use in manufactures and the arts, and for domestic purposes. Its value is demonstrated beyond a question: it is wanted, and all that is required is for producers to supply the demand.

Results of numerous trials have been reported to us, but the experiments made by Mr. Hodges on the Grand Trunk Railroad are given so much more clearly, and in detail, than most that we have been able to obtain, that we quote them here, with the statement that they are quite similar in character to all others we have received.

The trips run upon the Grand Trunk Railroad were upward of 1,000 miles in extent. We have conversed with one of the engineers who ran those trips, and his views fully corroborate all that we have said or can say of the value of peat for this purpose, provided the furnaces are properly constructed, as they require less draft than those made for coal, and much less capacity than those made for wood.

The amount of blast required for green peat is not so great as that required for wood, but it burns well in a furnace arranged for consuming wood.

For dry peat, very little blast is required; and, when burning in engines adapted for wood, the fuel has to be applied in such small quantities that it is scarcely possible to keep the fire-bars covered, without raising more steam than is required. It therefore seems apparent, that, although an approximate maximum of work may have been got out of green peat, the experiments with dry fuel need repeating many times to give any adequate idea of what it will do in properly-constructed furnaces, and with a suitable amount of blast.

An experiment was made with well-dried peat fuel upon engine No. 158, five feet driving-wheels, sixteen-inch cylinders, and twenty-six inch stroke, drawing 12 loaded cars.

Distance run per tun of 2,240 lb of fuel..	40.33 miles.
Fuel used per mile..........	55.54 lb.
Greatest pressure of steam..........	140 "
Least pressure of steam..........	100 "

During the experiment, fuel was put on in small quantities, no smoke issued from the stack, a steady brilliant white fire was kept up, and steam generated with great rapidity. The damper was kept closed, and the air admitted